

**Public Assistance Reporting Information System
(PARIS) U.S. Department of Veterans Affairs (VA)
Match Report**

October 1, 2013



As Required By H.B. 2562, 83rd Legislature, Regular Session, 2013

**Health and Human Services Commission
Department of Aging and Disability Services
Texas Veterans Commission
Veterans Land Board**

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Executive Summary

The *Public Assistance Reporting Information System (PARIS) U.S. Department of Veterans Affairs (VA) Match Report* provides an overview of progress on the implementation of legislation. This report is required by House Bill 2562, 83rd Legislature, Regular Session, 2013.

H.B. 2562 directs Health and Human Services Commission (HHSC), Texas Veterans Commission (TVC), Veterans Land Board (VLB), and Department of Aging and Disability Services (DADS) to coordinate, collect, and use data from PARIS and to collectively submit an annual report that includes the following:

- The interagency progress in identifying and obtaining Department of Veterans Affairs (VA) benefits for veterans receiving Medicaid and other public benefit programs.
- The number of veterans benefits claims awarded, the total dollar amount of veterans benefits claims awarded, and the costs to the state that were avoided as a result of state agencies' use of the system.
- The efforts to expand the use of the system and improve the effectiveness of shifting veterans from Medicaid and other public benefits to VA benefits, including any barriers and how state agencies have addressed those barriers.
- The extent to which the TVC has targeted specific populations of veterans, including populations in rural counties and in specific age and service-connected disability categories, in order to maximize benefits for veterans and savings to the state.

Introduction

Background

As a result of legislation from the 82nd legislative session, HHSC, TVC, VLB, and DADS entered into a Memorandum of Understanding (MOU) on December 1, 2011, for the purposes of:

1. ***Coordinating and collecting information*** about the use and analysis of data received from the system among state agencies.
2. ***Developing new strategies for using system data*** in ways that generate fiscal savings for the state, improve communication to veterans, and maximize the availability of and access to benefits for veterans.

In addition to the annual reporting requirement in H.B. 2562, legislation passed in the 83rd legislative session addresses the use of PARIS data and the appropriation of savings realized from its use. The 2014-15 General Appropriations Act (GAA) (Article I, Veterans Commission, Rider 8, S.B. 1, 83rd Legislature, Regular Session, 2013) requires the following:

1. TVC is required to use \$50,000 out of the Fund for Veterans' Assistance No. 368 and \$50,000 in Interagency Contracts to fund 2.0 Full Time Equivalents (FTE) per fiscal year to investigate and analyze information/data received from PARIS to assist and facilitate claims for veterans receiving Medicaid or other state public benefits to apply for VA benefits.

2. Ten percent of General Revenue savings during fiscal year 2014 that were the result of pursuing information from PARIS as calculated by HHSC shall be credited by the Comptroller to the TVC Veterans' Assistance Fund No. 368 in fiscal year 2015.

The 2014-15 GAA (Article II, Health and Human Services Commission, Rider 46, S.B. 1, 83rd Legislature, Regular Session, 2013) directs HHSC to:

1. Submit information quarterly to the U.S. Health and Human Services Department, Administration for Children and Families (ACF), for participation in the federal PARIS veterans and federal files information exchange. It also specifies that the HHSC Office of Inspector General (OIG) shall submit the necessary data from all state health and human services programs that may serve veterans to the federal PARIS System and forward necessary information from it to the appropriate state agencies.
2. Transfer \$50,000 in general revenue funds in fiscal years 2013 and 2014 to Texas Veteran's Commission (TVC) to partially fund 2.0 FTE staff to work as veteran benefit counselors that investigate and analyze the data received from the PARIS system. The PARIS information will be used by the TVC to assist and facilitate claims for veterans receiving Medicaid and other state public benefits for which veterans are entitled to receive from the VA.
3. Calculate 10 percent of the general revenue savings during fiscal year 2014 that was the result of pursuing PARIS information, which will be appropriated to the Texas Veterans Commission in fiscal year 2015.

Additionally, the 2014-15 GAA (Article IX, Miscellaneous Provisions, Section 17.04, H.B. 1, 83rd Legislature, Regular Session, 2013) requires HHSC, DADS, TVC, and VLB to:

1. Enter into an interagency contract to establish an ongoing staff workgroup between the agencies to coordinate the use and to investigate and analyze the data received from PARIS and develop new strategies to use PARIS data that could generate savings for the state and improve communication and services to veterans.
2. Submit a report to the LBB and Governor describing the state's use of PARIS data and include any savings or cost avoidance amounts resulting from PARIS information from the previous biennium, as well as recommendations regarding its future use. The report is due October 14, 2014.

The PARIS system operated by the ACF of the United States Department of Health and Human Services is a federal-state partnership, which provides states with detailed information and data to assist them in maintaining program integrity and detecting improper payments. HHSC executed a model agreement with the U.S. Department of Veterans Affairs through ACF to participate in the PARIS Veterans matching system on May 1, 2012. HHSC creates a file of active recipients in the Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), and Medicaid programs. This file of active recipients is sent to the Defense Manpower Data Center (DMDC) on a quarterly basis (February, May,

August, and November) for PARIS matching. DMDC returns a file of the matched recipients with veterans benefit information back to HHSC.

Cost Avoidance Methodology

HHSC is directed to calculate the cost avoidance resulting from the VA PARIS match activity conducted by the collaborating state agencies. Cost avoidance is a cost reduction opportunity that results from an intentional action, negotiation, or intervention¹. The methodology used to calculate the cost avoidance of the PARIS VA match project is as follows:

1. TVC sends an interagency feedback report to HHSC OIG of claims adjudicated by VA, as a result of contact initiated by TVC from the PARIS VA match information.
2. HHSC OIG distributes the interagency feedback report to HHSC and/or DADS eligibility staff. HHSC financial eligibility staff or DADS program eligibility staff contact the veteran to verify the amount and start date of VA benefits received and then take the appropriate action to determine if the individual remains financially eligible for SNAP, TANF, and/or Medicaid, or if the services and supports they receive should be reduced or eliminated based on those veterans' benefits the individual is now receiving.
3. HHSC and/or DADS will calculate cost avoidance when a change in eligibility or individual plan of care is initiated as a result of the TVC interagency feedback report. Eligibility staffs determine cost avoidance by subtracting the new amount or value of benefits the recipient is eligible for from the previous amount received for each month beginning when the change is made through the end of the certification or until the next review. Changes occurring for individuals identified on the PARIS VA match file prior to receiving the TVC interagency feedback report are not included in the calculation of cost avoidance, as the action was not initiated because of the interagency feedback file. In these instances, the change was most likely the result of a consumer initiated change, an annual financial certification, or a reassessment to initiate the individual's new service plan year.
4. HHSC and/or DADS eligibility staff will complete the cost avoidance information on the interagency feedback report and send it to HHSC OIG.
5. HHSC OIG will compile general revenue cost avoidance information from the interagency feedback reports and prepare an annual summary report for HHSC Fiscal Division.

Accomplishments and Reporting Measures

The PARIS Workgroup consists of staff members from all four agencies and will continue to meet on a quarterly basis. The PARIS Workgroup determines the usage of the PARIS Veterans match data and established processes of sharing the match data among the agencies. On a quarterly basis, HHSC creates a file of the matched SNAP, TANF, and Medicaid recipients and additional client information is added by HHSC and DADS. HHSC and TVC developed and implemented a secured file transfer process (FTP) whereby TVC retrieves the file from HHSC's secured FTP server. An interagency feedback report was developed by the workgroup as a communication tool for TVC to report to HHSC and DADS veterans' claim information and for

¹ NASPO Benchmarking Workgroup Research Brief 2007, *Benchmarking Costs Savings & Cost Avoidance*, National Association of State Procurement Officials

HHSC and DADS to capture cost avoidance information on those cases. The following chart represents the number of recipient records sent to be matched with PARIS VA data and the number of matches returned during state fiscal year 2013.

Fiscal Year 2013 PARIS VA Matches

PARIS VA Match Quarter	Number of HHSC and DADS Recipients Submitted to PARIS VA	Number of Matched HHSC and DADS Recipients Returned from PARIS VA
August 2012	5,252,419	28,999
November 2012	5,348,452	29,918
February 2013	5,292,416	29,914
May 2013	5,334,043	29,342

NOTE: During each quarterly match, veterans previously identified are not filtered out. The match always begins with all identified recipients and veterans in the system during the time period.

Progress in Identifying and Obtaining VA Benefits for Veterans

As identified in the previous annual report, the project started with recipients in Bexar County as the pilot area. In May 2012, the scope of the pilot was expanded to include seven additional counties including Atascosa, Bandera, Comal, Guadalupe, Kendall, Medina, and Wilson counties. Bexar County was chosen as the pilot area due to its large veteran population. The scope of the project expanded to a statewide match conducted in November 2012 and received by TVC in January 2013.

To date, the TVC has screened 17,053 clients from the statewide match for eligibility and representation considerations (Power of Attorney with Veteran Service Organizations or Private Attorneys) and will complete the initial screening of the statewide match by January 1, 2014.

Of the 17,053 clients screened, 9,783 were eligible to be contacted by TVC's PARIS team. The other 7,270 clients could not be contacted because they were determined to have appointed other representation with the VA. These include veterans with POA through Disabled American Veterans (DAV), Paralyzed Veterans of America, Military Order of the Purple Heart, or Private Attorneys. For these clients, TVC does not have access to VA records and may not use personal contact information to contact these veterans.

Of the 9,783 clients that could be contacted, 5,806 cases were already clients of TVC, meaning that they had filed a Power of Attorney (POA) with the VA appointing TVC as their representative throughout the claims process, which allowed TVC to gain full access to VA records and personal contact information.

Another 3,977 clients had no POA on file with the VA, meaning that these clients could be contacted by TVC with what limited personal contact information could be accessed. However, TVC cannot access their VA records.

Of the 9,783 clients eligible to be contacted by TVC's PARIS team, TVC has contacted 6,293 clients by mail, telephone, email and/or facsimile. Of those contacted, 4,663 were contacted regarding the opportunity for pension or aid & attendance claims and 1,630 were contacted for possible rating decisions or increases for service-connected disabilities or dependency claims.

Of the 4,663 pension clients, TVC identified 195 cases as likely eligible for new claims or claims for increased benefits and filed claims during FY 2013 on behalf of those clients. Of the 1,630 clients with potential service-connected disabilities, TVC determined that 77 were possibly eligible for new or increased claims and has filed claims on behalf of those claims. A total of 272 claims were sent to VA in fiscal year 2013 for adjudication of new or increased benefits.

In all other cases, those clients contacted were determined to be either ineligible for new or increased benefits due to having already received rating decisions for service-connected disabilities, already having claims for an increase pending with the VA, already having appeals pending with the VA, being rated below a working threshold (no opportunity for rating increase), or were determined to already be receiving the maximum benefit.

Claims Awarded and Cost Avoidance Measures

TVC received the first file of the PARIS Veterans match data in April 2012 to start outreaching to veterans and to assist them in filing claims to obtain VA benefits. HHSC OIG received the first interagency feedback report from TVC on August 14, 2013. HHSC and DADS eligibility staff are currently processing applicable changes to the recipients' cases reported on the TVC feedback report to reduce or deny Medicaid and other state benefits based on the VA benefits the veterans are now receiving. The cost avoidance from these changes will likely be realized in fiscal year 2014.

For the federal fiscal year 2013 (beginning October 1, 2012 to date), TVC has forwarded 272 claims for new or additional benefits to the VA. Of those claims, 130 have been adjudicated for \$359,136 annually with \$72,329 in retroactive payments made to Texas veterans and/or their eligible dependents. The other 142 claims are pending adjudication by VA with a projected annual increase of \$677,268 in benefit payments to Texas veterans.

Some of the increases to the veterans' benefits are adding an Aid and Attendance benefit intended to cover medical and attendant care expenses. The Aid and Attendance benefit is excluded income in the determination of SNAP, TANF, and Medicaid eligibility and would not result in cost avoidance in those programs. Therefore, in these circumstances the veterans will see an increase in VA benefits without any impact to state benefits they receive through HHSC. If the veteran is receiving home attendant services through DADS, those services may be reduced. Additionally, Medicaid policy allows recipients to have other medical insurance in addition to Medicaid if otherwise financially qualified. Medicaid would be the payer of last resort to providers for medical and prescription expenses when a recipient has other health insurance. However, if a veteran has Champ VA or Tricare insurance and is still eligible for Medicaid the state will continue to pay a monthly premium for the veteran's Medicaid and there will not be cost avoidance realized in this situation.

DADS maintains lists of individuals interested in receiving services (interest lists) for programs in which the demand for service exceeds available funding. Names of individuals are released when funding is available or when slots become available through attrition. Cost avoidance in these programs is used to reduce the number of individuals awaiting services, and therefore more individuals are served. Because of this, cost avoidance dollars are not available for reallocation for other purposes.

Efforts to Expand the Use of PARIS

The PARIS Veterans match project was initially piloted with recipients residing in Bexar County and was expanded statewide to all SNAP, TANF, and Medicaid recipients in Texas. Additionally, the PARIS Veterans match will be expanded to include Children's Health Insurance Program recipients beginning with the November 2013 match.

The PARIS VA match data was analyzed by HHSC OIG Third Party Liability (TPL) staff to determine potential uses to avoid improper Medicaid claims payments. TPL staff validated the agency has a match with the Defense Enrollment Eligibility Reporting System (DEERS) to obtain VA insurance (Champ VA and Tricare) information. The agency's eligibility system and Medicaid claims system is already updated with Champ VA and Tricare insurance information from the DEERS. It is not recommended to use PARIS VA match data for TPL purposes, because it does not contain the necessary information currently obtained from DEERS.

DADS is exploring the option of including recipients of Title XX programs in the PARIS VA match. Because these programs do not require an individual be Medicaid eligible, only those programs collecting social security numbers on program participants can be included in the PARIS VA match.

TVC Outreach to Targeted Populations

The primary "targeting" criteria applied to the PARIS match lists by TVC include the opportunity for new or increased benefits, as this increase helps to accomplish the two main goals of the PARIS initiative by increasing benefits to veterans and helping to achieve cost avoidance for the state. As a result, clients are screened by VA award, first by improved pension (veteran) and improved death pension (widow), then by service-connected percentage. This methodology has been consistently applied since the beginning of the PARIS initiative and has been detailed to partners at HHSC, DADS, VLB, and the Legislative Budget Board.

Due to the fact that 93% of recipients of VA pensions are over 65 years of age, that population of clients has already been identified and prioritized in TVC's outreach efforts.

Until the passage of H.B. 2562, the initiative's impact on rural residents of the state had not been identified as a priority method for targeting. In fiscal year 2014, TVC will incorporate this measure to target clients living in rural counties of the state.

Conclusion

All four agencies are participating in the PARIS Workgroup on an ongoing basis and entered into a MOU to coordinate and share information from the usage of the PARIS VA match system on December 1, 2011. The PARIS Workgroup continues to analyze the data to expand usage of the system in order to maximize benefits for veterans and savings to the state. As a result of the interagency coordination of the PARIS Veterans match data, there are many veterans receiving VA benefits or pending receipt of VA benefits that they otherwise would not have known were available to them. This report fulfills the legislative requirement of H.B. 2562, 83rd Legislature, Regular Session, 2013.